

## CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number \_\_\_\_\_

Meeting Type: Regular

Meeting Date: 11/1/2012

Action Requested By:  
Legal

Agenda Item Type  
Resolution

Subject Matter:

Invoking letter of credit

Exact Wording for the Agenda:

Resolution authorizing the Clerk Treasurer to Invoke Servis1st Bank Letter of Credit No. 10423 for The Village of Providence Phase 6-A Subdivision.

**Note: If amendment, please state title and number of the original**

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head 

Date: 10/26/2012

RESOLUTION NO. 12-\_\_\_\_\_

WHEREAS, Servis1st Bank issued a certain letter of credit (No. 10423), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Servis1st Bank Letter of Credit No. 10423, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 1st day of November, 2012.

\_\_\_\_\_  
President of the City Council  
of the City of Huntsville,  
Alabama

APPROVED this the 1st day of November, 2012.

\_\_\_\_\_  
Mayor of the City of  
Huntsville, Alabama

SERVISFIRST BANK  
Post Office Box 18127  
Huntsville, Alabama 35804  
T 256.722.7800 F 256.722.7810  
servisfirstbank.com

S/W eft

**RENEWAL OF**  
**IRREVOCABLE LETTER OF CREDIT NO. 10423**

Servis 1st Bank

**Beneficiary:**  
City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

**Account Party:**  
Town Makers, LLC  
7 Town Center Drive  
Suite 102  
Huntsville, AL 35806

**Bank:**  
ServisFirst Bank  
401 Meridian Street  
Suite 100  
Huntsville, AL 35801

**Place of Presentment/Expiry:**  
ServisFirst Bank  
401 Meridian Street, Suite 100  
Huntsville, AL 35801

**Amount:** \$39,680.00  
**Issue Date:** November 9, 2011  
**Expiration Date:** November 9, 2012

MS  
11/28/11

**Subject:** Article 5 Sidewalks / Letter of Credit for Village of Providence Phase 6 – A  
Resubdivision of Lot 2 and A Part of Lot 1 of A Resubdivision of Lot 1 A of a resbudivision of  
Lots 1 and 3 of West Ridge First Sector and a Resbudivision of a part of Lot 1 B of a resubivision  
of Lots 1 and 3 of West Ridge First Sector.

Gentlemen:

We hereby renew our Irrevocable Standby Letter of Credit in your favor, effective November 9, 2011,  
for sum not to exceed the aggregate of \$39,680.00, available by your one or more drafts at SIGHT on  
us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof  
will be duly honored if drawn and presented for payment to ServisFirst Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville  
Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will  
be duly honored upon presentation and delivery of the documents specified.

M 11-28-11  
OK  
11/29/11

his Letter of Credit shall be governed by the Laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

This standby letter of credit is subject to and governed by the laws of the State of [Alabama] and UCP 600. For all purposes of this letter of credit, any provision of UCP 600 that, if applied, would conflict with Article 5 of the [Alabama] Uniform Commercial Code but for the application of such Article 5, shall be deemed excluded from UCP 600.

ServisFirst Bank

By: 

Hill Womble, Senior Vice President

SERVISFIRST BANK  
Post Office Box 18127  
Huntsville, AL 35804  
T 256.722.7800 F 256.722.7810  
servisfirstbank.com

5/10  
HT

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**IRREVOCABLE LETTER OF CREDIT NO. 10423**

**Beneficiary:**  
City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

**Account Party:**  
Town Makers, LLC  
7 Town Center Drive  
Suite 102  
Huntsville, AL 35806

**Bank:**  
ServisFirst Bank  
401 Meridian Street  
Suite 100  
Huntsville, AL 35801

**Place of Presentment/Expiry:**  
ServisFirst Bank  
401 Meridian Street, Suite 100  
Huntsville, AL 35801

MS  
1/20/11

**Amount:** \$56,680.00  
**Issue Date:** November 9, 2010  
**Expiration Date:** November 9, 2011

**Subject:** Article 5 Sidewalks / Letter of Credit for Village of Providence Phase 6 – A  
Resubdivision of Lot 2 and A Part of Lot 1 of A Resubdivision of Lot 1 A of a resbudivision of  
Lots 1 and 3 of West Ridge First Sector and a Resbudivision of a part of Lot 1 B of a resubivision  
of Lots 1 and 3 of West Ridge First Sector.

**“DUPLICATE ORIGINAL LETTER OF CREDIT”**

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective November 9, 2010, for sum not to exceed the aggregate of \$56,680.00, available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to ServisFirst Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

M 1-25-11

OK

OK  
CET  
1/24/11

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents specified.

This Letter of Credit shall be governed by the Laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

ServisFirst Bank

By:

  
Hill Womble, Senior Vice President

BANK  
Box 18127  
Huntsville, AL 35804  
722.7800 F 256.722.7810  
servisfirstbank.com

**IRREVOCABLE LETTER OF CREDIT NO. 10423**

**Beneficiary:**

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

**Account Party:**

Town Makers, LLC  
7 Town Center Drive  
Suite 102  
Huntsville, AL 35806

**Bank**

ServisFirst Bank  
401 Meridian Street, Suite 100  
Huntsville, AL 35801

**Place of Presentment/Expiry:**

ServisFirst Bank  
401 Meridian Street, Suite 100  
Huntsville, AL 35801

*MS 11/24/09*  
**Amount:** \$56,680.00  
**Issue Date:** November 9, 2009  
**Expiration Date:** November 9, 2010

**Subject:** Article 5 Sidewalks / Letter of Credit for Village of Providence Phase 6 - A  
Resubdivision of Lot 2 and A Part of Lot 1 of A Resubdivision of Lot 1 A of a resubdivision of  
Lots 1 and 3 of West Ridge First Sector and a Resubdivision of a part of Lot 1 B of a resubdivision  
of Lots 1 and 3 of West Ridge First Sector.

Gentlemen:

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us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof  
will be duly honored if drawn and presented for payment to ServisFirst Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville  
Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will  
be duly honored upon presentation and delivery of the documents specified.

This Letter of Credit shall be governed by the Laws of the State of Alabama, including but not limited  
to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

ServisFirst Bank

by: *[Signature]*  
Hill Womble, Senior Vice President

*OK*  
*CEH*  
*11-24-09*  
*1511-9*